

**PROCEEDINGS OF THE CITY-PARISH COUNCIL MEETING OF THE CITY-PARISH OF LAFAYETTE, STATE OF LOUISIANA, TAKEN AT A SPECIAL MEETING OF AUGUST 2, 2005.**

**ATTENDANCE**

**COUNCIL:** Randy Menard – Chair (District 9), Rob Stevenson – Vice Chair (District 8), Bobby Badeaux (District 1), Dale Bourgeois (District 2), Christopher J. Williams, Ph.D. (District 3), Louis C. Benjamin, Jr. (District 4), Lenwood Broussard (District 5), Bruce Conque (District 6), Marc Mouton (District 7)

**ABSENT:** None

**COUNCIL STAFF:** Norma Dugas (Clerk of the Council), Veronica Williams (Assistant Clerk) and Anne Patin (Senior Administrative Assistant)

**ADMINISTRATIVE STAFF:** L. J. Durel, Jr. (City-Parish President), Dee Stanley (CAO), Becky Lalumia (Associate CFO), Gail Smith (Director of Administrative Services), Chief Randy Hundley (Police Department), Chief Robert Benoit (Fire Department), Eleanor Bouy (Director of Planning, Zoning and Codes), Gerald Boudreaux (Director of Parks & Recreation), Terry Huval (Utilities Director), Melanie Lewis (Director of Community Development), Tom Carroll (Public Works Director), Pat Ottinger (Legal Counsel), Tony Tramel (Director of Transportation), Keith Thibodeaux (CIO)

**COMMENCEMENT**

(TAPE 1)(SIDE B)(006) AGENDA ITEM NO. 1: Call to order.

Councilmember Randy Menard called the Special Council Meeting of August 2, 2005 to order.

**INTRODUCTORY ORDINANCES**

(TAPE 1)(SIDE B)(007) AGENDA ITEM NOS. 2 - 3: A motion to approve for introduction, in-globo, by Stevenson, seconded by Conque.

2. O-214-2005 An ordinance of the Lafayette City-Parish Council adopting an operating budget of revenues and expenditures for the Lafayette City-Parish Consolidated Government for the Fiscal Year beginning November 1, 2005, and ending October 31, 2006,
3. O-215-2005 An ordinance of the Lafayette City-Parish Council adopting a Multi-Year Capital Improvement Program for the Lafayette City-Parish Consolidated Government, commencing with Fiscal Year 2005-2006.

President Durel presented the Proposed Budget to the Council saying the main issues would be:

- Use of fund balance to “balance” the budget,
- Group Insurance costs for employees,
- The elimination of External Agencies funding,
- Funding of capital projects, street overlay and drainage, and
- The necessity of new bond authorization

He then recognized Chief Financial Officer Becky Lalumia with a presentation on the proposed 2005-2006 Budget. Highlights were as follows:

- Total budget for 2005-2006 proposed revenues is \$459,798,103 with the bulk of that being utility sales at 41%; the proposed expenditures total \$459,798,103, with the bulk of that being LUS operations at 35.7%.
- Of the \$113,000,000:
  - o Public Works Operations - \$22,920,831
  - o Police Department - \$19,562,769
  - o Fire Department - \$13,925,213
  - o Recreation Department - \$7,105,151
  - o Elected Officials - \$15,402,630
  - o Legal - \$886,555

- o Finance - \$2,491,477
- o General Accounts - \$8,970,160
- o Administrative Services - \$1,270,761
- o Information Services - \$2,115,486
- o Traffic & Transportation - \$5,303,158
- o Community Development - \$4,809,305
- o PZC - \$2,099,489
- o Other - \$6,858,555
- Revenue Highlights are 1) strong sales tax growth – compared to the same 8-month period of last year, the City sales tax is up 3.4% and the Parish sales tax is up 18.6%; 2) assessed valuation steady growth – up 7% to 9% average with a 4% growth factor for the budget projections, 3) ILOT stable – almost exact with the current budget level, and 4) others stable with little growth – at 2% or at current level.
- Revenue collections compared to last year is up \$16,762,445 or 3.8%.
- Sales tax collections for the City have increased each month of this year for a total of 3.4% increase. With 4 months left of 2005, projections are set as a 2.5% increase over 2004.
- Sales tax collections for the Parish has increased each month except for June for a total of 18.6%.
- Appropriations:
  - The Personnel manning tables will increase by 10, mainly due to 8 added positions to the Finance Department to accommodate the Utility System Administrative and General charges.
  - A 2% general increase for employees for \$1,600,000.
  - Additional increases in retirement costs for employees. Rate changes in the past four years:
    - Police from 9% to 20.25%
    - Fire from 9% to 22.25%
    - MERS from 8% to 16%
    - PERS from 7.75% to 12.75%
  - Increase in the Group Health Insurance costs. A deficit of \$4,600,000 was experienced in 2004 and carried over to 2005. To remedy this situation, the Administration is recommending a one-time supplemental transfer of \$5,000,000 to defray the deficit. Funds will come from the City General Fund (\$2,300,000), the Parish General Fund (\$800,000) and Utilities (\$1,000,000) based on the original premiums assuming they should have been higher. In addition, the Administration is recommending a 27% increase in health premiums for all employees. This will set the revenues at \$16,300,000. Premiums changes are as follows:
 

	Single	Family
Monthly:		
Current	\$ 54	\$ 175
Proposed	<u>117</u>	<u>336</u>
Increase	\$ 63	161
Per Check	\$ 54	\$ 155
- Appropriation Highlights:
  - o Wetlands Golf Course
  - o Departmental Operational
  - o Transportation
  - o Utilities
  - o Telecommunications
  - o Training
  - o Parish Road & Bridges
    - \$350,000 Equipment Purchases
    - \$250,000 Roundabout/Matches
    - \$500,000 Road Projects
  - o Parish Drainage
    - \$265,000 Equipment Purchases
    - \$318,000 Drainage Projects
- General Funds Summary:

CITY		PARISH	
Revenues	\$70,716,372	Revenues	\$10,547,258
Appropriations	<u>72,513,528</u>	Appropriations	<u>10,309,539</u>
Net Recurring	( 1,797,156)	Net Recurring	237,719
Fd Balance-PY	<u>6,400,000</u>	Fd Balance-PY	<u>1,400,000</u>
Reserves	\$ 4,602,000	Reserves	\$1,637,719

- Emergency Fd

\$ 6,000,000
- Emergency Fd
- \$ 3,500,000
- Sales Tax available for CIP PAYG is \$8,926,331. It was noted that \$29,000,000 worth of projects were requested.
  - The total budget for the Utilities System proposed revenue is \$189,028,849, with the electric retail at 78% of the cost; the proposed appropriation is \$189,028,849, with the fuel and purchasing power at 41% of the cost.
  - Utilities 5-Year Capital Outlay proposed budget is set at \$102,136,590. This comes from Bonds - \$52,000,000; DEQ Loan - \$34,000,000 and Retained Earnings - \$16,136,590 with only \$1,000,000 a year anticipated for the next 5 years. A great part of this debt (47%) comes from Wastewater. There are approximately \$48,000,000 of wastewater capital improvements planned, however; total revenue for the Wastewater System for one year is only \$20,000,000.
  - The City of Lafayette 5-Year Capital Budget Revenues 2005-06 Proposed budget is set at \$125,167,981. The major portion will come from Bonds (51%), Sales Tax (45%) and Interest (4%). Appropriations will include Streets (43%), Capital (31%), Drainage (13%), Recreation (1%), Reserve (11%) and everything else at 1%.
  - Sales Tax Bond Authority:

Streets

\$ 5,400,000

Drainage

5,000,000

TOTAL

10,400,000

Proposed Budget:	\$ 64,600,000
Future Authority (5 yr)	54,700,000
For Projs Completion	115,000,000

Lalumia closed by stating that there were very few changes in this document compared to the adopted budget for 2005. LCG must live within the fiscal constraints that budgeting has to deal with. The revenue growth never seems to be as fast as the growth and demand for services. Requests far exceeded revenues with CIP at \$21,000,000, General Fund at \$4,000,000 and Other Capital (i.e. Courthouse and Jail, etc) at \$6,500,000. Active budget management will continue.

Upon questioning by the Council, the following issues were discussed:

- Lalumia committed to providing a slide for the Council showing the Performa with the major budget categories for past year, current year and future years in terms of items that may be affected in this year’s budget.
- The \$2,000,000 identified for I-49 will be addressed during the hearing on the Capital Budget.

The Chair then called for a vote on the motion, and the vote was as follows:  
YEAS: Badeaux, Bourgeois, Williams, Benjamin, Broussard, Conque, Mouton, Stevenson, Menard  
NAYS: None  
ABSENT: None  
ABSTAIN: None  
*Motion was unanimously approved.*

(TAPE 3)(SIDE A)(020) AGENDA ITEM NO. 4: Comments from the public on the above introductory ordinances.  
  
*No comments were made.*

**ADJOURNMENT**

(TAPE 3)(SIDE A)(021) There being no further business to come before the Council, the Chair declared the Special Council Meeting adjourned.

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NORMA A. DUGAS, CLERK  
LAFAYETTE CITY-PARISH COUNCIL